GRAIN TRANSPORTATION REPORT

Shipper and Exporter Assistance Program
Transportation and Marketing
Agricultural Marketing Service
United States Department of Agriculture

November 24, 1997

UP/SP Problems Continue To Mount. In addition to its extensive rail congestion problems, the Union Pacific/Southern Pacific (UP/SP) railroad is being forced to address other thorny issues. Investors who purchased UP/SP stock between March 4 and October 1 of this year, have filed a class action lawsuit, claiming that the UP/SP misrepresented information concerning the safety and efficiency of its operation and that the railroad failed to disclose problems in integrating its operations with those of the SP. UP/SP officials have said they are confident that they have complied fully with Federal security laws and claim that the lawsuit is "without merit." In addition to the lawsuit, a Federal Railroad Administration (FRA) report due out within the next several weeks, analyzes safety issues at UP/SP. It will report that the railroad is making progress, but still not meeting goals for training workers and reducing crew fatigue. Jim Gower, an FRA spokesman, stated that the UP/SP is "taking positive steps" in the areas of training and fatigue, but still failing to completely meet the standards proposed under the safety agreement of last September. UP/SP officials have stated that the increase in safety inspections by the FRA has contributed to the delays. FRA officials, on the other hand, have said that the congestion and safety problems of the UP/SP are primarily due to maintaining an inadequate number of employees following its merger. With increased expenses and decreased traffic volumes, UP/SP officials have reported that a loss would likely be reported in the fourth quarter earnings. *(Reuters, Bridge News, Journal of Commerce)*

Railcar Deliveries To Port. Railcar deliveries of grain unloaded at port elevators for the week ended November 12, 1997, totaled 8,892 cars, 1,877 fewer cars than were unloaded for the similar week in 1996. In comparison, port unloads have reached levels of 12,000 cars or more during peak export periods. The largest decrease in railcar deliveries for the week ended November 12 was at South Atlantic and Gulf ports, where a decrease of 1,155 cars occurred, when compared to the corresponding period in 1996. During the past 4 weeks, rail deliveries have averaged 4,521 cars to Pacific Coast ports, while deliveries to South Atlantic and Gulf ports, have averaged 2,864 cars, compared to 4,672 cars and 3,600 cars, respectively, for the corresponding period in 1996.

Stocks Of Grain At Selected Elevators. The most recent edition of *Stocks of Grain at Selected Elevator Sites* shows surveyed sites filled to 54 percent capacity, which is 1 percent less than the previous week and 20 percent higher through the corresponding period in 1996. Those same surveyed sites were filled to 44 percent and 39 percent for 1995 and 1994, respectively, for the comparable period. Surveyed river points are currently operating at 51 percent as opposed to 39 percent of capacity on November 18, 1996.

River Situation. At the Melvin Price Locks and Dam during the previous 24 hours ending midnight Sunday (Nov. 23), 8 tows with 72 barges passed upbound, and 10 tows with 128 barges passed in the downbound direction. Also, on Nov. 17, a 2-hour transit delay had tows backed up at Lock and Dam 25. A reminder, the Army Corps of Engineers reported they will close Lock 25 on Dec. 15, for the season. On Monday (Nov. 24), at 6:00 a.m., there were no tows waiting to go upbound, and one waiting to go downbound. In the Columbia River Basin on Friday (Nov. 21), 5 vessels were at berth loading, while 19 waited.

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SOUTHBOUND BARGE FREIGHT RATES*

Week Ended November 14

River/Region	Contract Period	Rate**
	No trades reported	

* Based on Actual Trades from the Merchants Exchange of St. Louis Barge Call Session
** Rates are Quoted as a Percentage of the 1976 Tariff Benchmark

PROJECTED 1997/98 MARKETING YEAR CORN SUPPLY AND USE

million metric tons

	U.S.	Major Exporters	World
Beginning Stocks	22.46	1.50	84.22
Production	237.74	24.80	569.04
Domestic Use	187.97	17.25	588.01
Exports	48.90	8.78	72.92
Ending Stocks	23.59	1.37	65.25

Major exporters include Argentina, South Africa, and Thailand.

One metric ton (2,204.62 pounds) of corn equals 39.3 bushels.

Source: World Agricultural Supply and Demand Estimates, USDA, November 10, 1997.

WEEK ENDED	1997	COMPARABLE WEEK 1996

INSPECTIONS FOR EXPORT

1,000 Bushels

Oct 16	96,044 *	77,490
Oct 23	90,544 *	95,461
Oct 30	94,616 *	99,634
Nov 6	93,655 *	99,707
Nov 13	94,481	116,805
Calendar Year to Date	3,234,197 *	3,710,059

* Revised

RAIL CARLOADINGS

Carloads

Oct 18	25,099 *	28,446 *
Oct 25	26,631 *	29,567 *
Nov 1	24,449 *	30,533 *
Nov 8	25,147 *	31,793 *
Nov 15	24,696 *	30,512 *
Calendar Year to Date	1,070,596 *	1,097,244 *

* Revised - Soo Line Not Included

RAIL DELIVERIES TO PORT

Carloads

	North Atlantic	So. Atlantic & Gulf	Pacific Coast	North Atlantic	So. Atlantic & Gulf	Pacific Coast
Oct 15	136	2,802	3,359	0	1,839 *	3,031
Oct 22	152	2,692	3,724	0	2,943	4,166
Oct 29	250	2,701	3,907	7	3,236	4,378
Nov 5	84	2,811	4,879	24	3,813	3,828
Nov 12	66	3,253	5,573	46	4,408	6,315
CY to Date	2,132	105,198 *	167,184 *	2,690	131,440 *	173,352

* Revised

BARGE GRAIN MOVEMENTS

1,000 Tons

River / Lock Number	Week ending 11/15/97					Week ending 11/16/96				
	CORN	WHT.	SOY	OTHER	TOTAL	CORN	WHT.	SOY	OTHER	TOTAL
Miss./15	440	12	96	0	547	509	3	72	8	591
Miss./25	644	12	188	3	847	721	15	172	6	913
Miss./26	830	12	241	3	1,087	1,100	15	237	6	1,359
Miss./27	830	23	215	3	1,071	1,084	20	239	5	1,347
Ill. /8	172	0	37	0	209	354	0	58	0	412
Ohio /52	44	2	50	92	187	29	0	33	117	179
Ark./1	0	9	45	0	54	0	9	8	0	17

Calendar year totals for Miss./27, Ohio/52 and Ark./1:

Year	Corn	Wheat	Soybeans	Other Grains	Total
1997	25,390	2,435	8,106	2,969	38,901
1996	29,140	2,204	7,196	3,649	42,189

Other grains include barley, sorghum and oats. Totals may not add due to rounding. Data source: U.S. Army Corps of Engineers.

MAJOR EXPORT SALES *

1,000 Metric Tons

WEEK ENDED	1997 WHEAT	1997 CORN	1997 SOYBEANS	COMPARABLE WEEK 1996 WHEAT	1996 CORN	1996 SOYBEANS
Oct 16	4,239	7,126	9,869	3,762	14,605	7,502
Oct 23	4,414	7,121	8,897	3,654	14,537	7,613
Oct 30	4,248	7,299	8,105	3,538	14,298	7,545
Nov 6	4,138	7,606	7,331	3,528	14,132	7,748
Nov 13	3,996	7,810	7,099	3,382	13,971	7,468

*Unshipped Balances-Current & Next Marketing Year

GULF COAST OCEAN GRAIN VESSELS

	IN PORT	LOADED 7 DAYS	DUE NEXT 10 DAYS	IN PORT	LOADED 7 DAYS	DUE NEXT 10 DAYS
Oct 23	30	61	60	43	43	58
Oct 30	34	50	67	50	52	82
Nov 6	35	56	75	57	52	71
Nov 13	33	49	70	55	59	70
Nov 20	29	54	73	67	48	57

AVERAGE GRAIN PRICES

Dollars Per Bushel

	WHEAT	CORN[1]	SOYBEANS[2]	WHEAT	CORN[1]	SOYBEANS[2]
Oct 17	3.91	2.81	6.98	4.79	2.91	6.88
Oct 24	3.99	2.80	6.85	4.77	2.85	6.95
Oct 31	3.90	2.76	6.80	4.72	2.73	6.87
Nov 7	3.95	2.77	7.17	4.76	2.72	6.89
Nov 14	3.97	2.79	7.34	4.88	2.76	6.95

(Wheat-#1 HRW-ORD., Kansas City; Corn-#2 Yellow, Chicago; Soybeans-#1 Yellow, Chicago)

[1] Bought to arrive 15 days; [2] Bought to arrive 30 days.

OCEAN FREIGHT RATES*

Dollars/Tons - Basis Vessel Size/Ton

U.S. Loading Port	Destination	Estimated Freight Rates	Dates of Movement
St. Lawrence	Rotterdam	$08.00 - (55M)	November
St. Lawrence	Brazil	$12.00 - (40M)	November
Pacific Northwest	Taiwan	$12.45 - (54M)	December
Pacific Northwest	Japan	$12.25 - (54M)	December
Gulf	Japan	$20.50 - (54M)	January
Gulf	Malaysia	$20.00 - (55M)	December
Gulf	Morocco	$14.00 - (25M)	November
Gulf	Hamburg	$10.00 - (60M)	November
Gulf	Taiwan	$18.60 - (55M)	December

*These ocean fixtures are based on full ship charters.